

BUDGET REPORTING REQUIREMENTS

2021 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Melissa G. Ballard

Senate Sponsor: _____

LONG TITLE

General Description:

This bill modifies provisions related to budget reporting requirements.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ modifies the process by which the Office of the Legislative Fiscal Analyst:
 - identifies legislation that creates a new program or new agency; and
 - collects and shares performance measure information for each new program or new agency;
- ▶ modifies the process by which the Office of the Legislative Auditor General monitors a new program or new agency;
- ▶ clarifies that the Judicial Department and Legislative Department are not subject to certain reporting requirements related to the governor's budget;
- ▶ modifies certain information related to the Executive Department's effectiveness measures that the Governor's Office of Management and Budget provides to the Office of the Legislative Fiscal Analyst and the date on which the information is due;
- ▶ for each newly funded budget item, requires a state agency to:
 - create one or more performance measures; and
 - submit a report to the Office of the Legislative Fiscal Analyst describing the



28 results of the performance measures and how the agency spent the appropriation for the newly
29 funded budget item; and

30 ▶ makes technical and conforming changes.

31 **Money Appropriated in this Bill:**

32 None

33 **Other Special Clauses:**

34 None

35 **Utah Code Sections Affected:**

36 AMENDS:

37 **36-12-15**, as last amended by Laws of Utah 2020, Chapter 356

38 **63J-1-201**, as last amended by Laws of Utah 2020, Chapter 152

39 **63J-1-602.2**, as last amended by Laws of Utah 2020, Fifth Special Session, Chapter 20

40 ENACTS:

41 **36-24-101.1**, Utah Code Annotated 1953

42 **63J-1-221**, Utah Code Annotated 1953

43 RENUMBERS AND AMENDS:

44 **36-24-102**, (Renumbered from 36-24-101, as last amended by Laws of Utah 2011,
45 Chapter 342)



47 *Be it enacted by the Legislature of the state of Utah:*

48 Section 1. Section **36-12-15** is amended to read:

49 **36-12-15. Office of the Legislative Auditor General established -- Qualifications --**
50 **Powers, functions, and duties.**

51 (1) There is created an Office of the Legislative Auditor General as a permanent staff
52 office for the Legislature.

53 (2) The legislative auditor general shall be a licensed certified public accountant or
54 certified internal auditor with at least five years of experience in the auditing or public
55 accounting profession, or the equivalent, prior to appointment.

56 (3) The legislative auditor general shall appoint and develop a professional staff within
57 budget limitations.

58 (4) (a) The Office of the Legislative Auditor General shall exercise the constitutional

59 authority provided in Article VI, Sec. 33, Utah Constitution.

60 (b) Under the direction of the legislative auditor general, the office shall:

61 (i) conduct comprehensive and special purpose audits, examinations, and reviews of
62 any entity that receives public funds;

63 (ii) prepare and submit a written report on each audit, examination, or review to the
64 Legislative Management Committee, the audit subcommittee, and to all members of the
65 Legislature within 75 days after the audit or examination is completed; and

66 ~~[(iii) as provided in Section 36-24-101:]~~

67 ~~[(A) monitor all new programs and agencies created during each Annual General
68 Session or Special Session of the Legislature;]~~

69 ~~[(B) provide each new program and agency created with a list of best practices in
70 setting up their program or agency, including:]~~

71 ~~[(I) policies;]~~

72 ~~[(II) performance measures; and]~~

73 ~~[(III) data collection;]~~

74 ~~[(C) send each new program and agency:]~~

75 ~~[(I) within one year after its creation, a survey instrument requesting a self evaluation
76 that includes policies, performance measures, and data collection; and]~~

77 ~~[(II) within two years after its creation, a survey instrument requesting a self evaluation
78 that includes policies, performance measures, and data collection; and]~~

79 ~~[(D) (I) using the new program or agency's response to the self evaluation survey
80 instruments, recommend to the legislative audit subcommittee that the office conduct an audit
81 of those new programs and agencies created on which questions have arisen as a result of the
82 response to the survey instrument and provide a limited scope audit report on those new
83 programs or agencies on which it receives direction to audit to the legislative interim
84 committee and to the legislative appropriations subcommittee with oversight responsibility for
85 that program or agency on or before the November interim meeting; and]~~

86 ~~[(II) include within this limited scope audit report a recommendation as to whether the
87 program or agency is fulfilling its statutory guidelines and directives.]~~

88 (iii) in accordance with Chapter 24, Legislative Review of New Programs or Agencies,
89 monitor each new program or new agency that the Legislature creates during an annual general

90 session or a special session.

91 (5) The audit, examination, or review of any entity that receives public funds may
92 include a determination of any or all of the following:

93 (a) the honesty and integrity of all [~~its~~] the entity's fiscal affairs;

94 (b) the accuracy and reliability of [~~its~~] the entity's financial statements and reports;

95 (c) whether or not [~~its~~] the entity's financial controls are adequate and effective to
96 properly record and safeguard its acquisition, custody, use, and accounting of public funds;

97 (d) whether or not [~~its~~] the entity's administrators have faithfully adhered to legislative
98 intent;

99 (e) whether or not [~~its~~] the entity's operations have been conducted in an efficient,
100 effective, and cost efficient manner;

101 (f) whether or not [~~its~~] the entity's programs have been effective in accomplishing
102 intended objectives; and

103 (g) whether or not [~~its~~] the entity's management control and information systems are
104 adequate and effective.

105 (6) The Office of the Legislative Auditor General:

106 (a) (i) shall, notwithstanding any other provision of law, have access to all records,
107 documents, and reports of any entity that receives public funds that are necessary to the scope
108 of the duties of the legislative auditor general or the office; and

109 (ii) may issue a subpoena to obtain access as provided in Subsection (6)(a)(i) using the
110 procedures contained in Title 36, Chapter 14, Legislative Subpoena Powers;

111 (b) establish policies, procedures, methods, and standards of audit work for the office
112 and staff;

113 (c) prepare and submit each audit report without interference from any source relative
114 to the content of the report, the conclusions reached in the report, or the manner of disclosing
115 the results of the legislative auditor general's findings; and

116 (d) prepare and submit the annual budget request for the office.

117 (7) To preserve the professional integrity and independence of the office:

118 (a) no legislator or public official may urge the appointment of any person to the office;
119 and

120 (b) the legislative auditor general may not be appointed to serve on any board,

121 authority, commission, or other agency of the state during the legislative auditor general's term
122 as legislative auditor general.

123 (8) The following records in the custody or control of the legislative auditor general
124 shall be protected records under Title 63G, Chapter 2, Government Records Access and
125 Management Act:

126 (a) Records that would disclose information relating to allegations of personal
127 misconduct, gross mismanagement, or illegal activity of a past or present governmental
128 employee if the information or allegation cannot be corroborated by the legislative auditor
129 general through other documents or evidence, and the records relating to the allegation are not
130 relied upon by the legislative auditor general in preparing a final audit report.

131 (b) Records and audit workpapers to the extent they would disclose the identity of a
132 person who during the course of a legislative audit, communicated the existence of any waste
133 of public funds, property, or manpower, or a violation or suspected violation of a law, rule, or
134 regulation adopted under the laws of this state, a political subdivision of the state, or any
135 recognized entity of the United States, if the information was disclosed on the condition that
136 the identity of the person be protected.

137 (c) Prior to the time that an audit is completed and the final audit report is released,
138 records or drafts circulated to a person who is not an employee or head of a governmental
139 entity for their response or information.

140 (d) Records that would disclose an outline or part of any audit survey plans or audit
141 program.

142 (e) Requests for audits, if disclosure would risk circumvention of an audit.

143 (f) The provisions of Subsections (8)(a), (b), and (c) do not prohibit the disclosure of
144 records or information that relate to a violation of the law by a governmental entity or
145 employee to a government prosecutor or peace officer.

146 (g) The provisions of this section do not limit the authority otherwise given to the
147 legislative auditor general to classify a document as public, private, controlled, or protected
148 under Title 63G, Chapter 2, Government Records Access and Management Act.

149 (9) The legislative auditor general shall:

150 (a) be available to the Legislature and to ~~[its]~~ the Legislature's committees for
151 consultation on matters relevant to areas of the legislative auditor general's professional

152 competence;

153 (b) conduct special audits as requested by the Legislative Management Committee;

154 (c) report immediately in writing to the Legislative Management Committee through its
155 audit subcommittee any apparent violation of penal statutes disclosed by the audit of a state
156 agency and furnish to the Legislative Management Committee all information relative to the
157 apparent violation;

158 (d) report immediately in writing to the Legislative Management Committee through
159 its audit subcommittee any apparent instances of malfeasance or nonfeasance by a state officer
160 or employee disclosed by the audit of a state agency; and

161 (e) make any recommendations to the Legislative Management Committee through its
162 audit subcommittee with respect to the alteration or improvement of the accounting system
163 used by any entity that receives public funds.

164 (10) If the legislative auditor general conducts an audit of a state agency that has
165 previously been audited and finds that the state agency has not implemented a recommendation
166 made by the legislative auditor general in a previous audit, the legislative auditor general shall,
167 upon release of the audit:

168 (a) report immediately in writing to the Legislative Management Committee through its
169 audit subcommittee that the state agency has not implemented that recommendation; and

170 (b) shall report, as soon as possible, that the state agency has not implemented that
171 recommendation to a meeting of an appropriate legislative committee designated by the audit
172 subcommittee of the Legislative Management Committee.

173 (11) (a) Prior to each annual general session, the legislative auditor general shall
174 prepare a summary of the audits conducted and of actions taken based upon them during the
175 preceding year.

176 (b) This report shall also set forth any items and recommendations that are important
177 for consideration in the forthcoming session, together with a brief statement or rationale for
178 each item or recommendation.

179 (c) The legislative auditor general shall deliver the report to the Legislature and to the
180 appropriate committees of the Legislature.

181 (12) (a) No person or entity may:

182 (i) interfere with a legislative audit, examination, or review of any entity conducted by

183 the office; or

184 (ii) interfere with the office relative to the content of the report, the conclusions
185 reached in the report, or the manner of disclosing the results and findings of the office.

186 (b) Any person or entity that violates the provisions of this Subsection (12) is guilty of
187 a class B misdemeanor.

188 (13) (a) Beginning July 1, 2020, the Office of the Legislative Auditor General may
189 require any current employee, or any applicant for employment, to submit to a
190 fingerprint-based local, regional, and criminal history background check as an ongoing
191 condition of employment.

192 (b) An employee or applicant for employment shall provide a completed fingerprint
193 card to the office upon request. The office shall require that an individual required to submit to
194 a background check under this subsection also provide a signed waiver on a form provided by
195 the office that meets the requirements of Subsection 53-10-108(4).

196 (c) For a noncriminal justice background search and registration in accordance with
197 Subsection 53-10-108(13), the office shall submit to the Bureau of Criminal Identification:

198 (i) the employee's or applicant's personal identifying information and fingerprints for a
199 criminal history search of applicable local, regional, and national databases; and

200 (ii) a request for all information received as a result of the local, regional, and
201 nationwide background check.

202 Section 2. Section 36-24-101.1 is enacted to read:

203 **CHAPTER 24. LEGISLATIVE REVIEW OF NEW PROGRAMS AND**
204 **NEW AGENCIES**

205 **36-24-101.1. Definitions.**

206 As used in this chapter:

207 (1) (a) "New agency" means a government entity that:

208 (i) is created by legislation that did not exist before passage of the legislation;

209 (ii) requires a new appropriation for new funding;

210 (iii) is modified by legislation to add significant services or benefits that were not
211 previously offered by the government entity; or

212 (iv) is modified by legislation to substantially expand the scope of individuals or
213 entities that are entitled to receive the services or benefits offered by the government entity.

214 (b) "New agency" does not include a government entity that is renamed or moved to
215 another organizational position within the same branch of government unless the government
216 entity meets the criteria described in Subsection (1)(a)(iii) or (iv).

217 (2) (a) "New program" means a program that:

218 (i) is created by statute that did not previously exist;

219 (ii) requires a new appropriation or an increased appropriation for the purpose of
220 adding significant services or benefits that were not previously offered;

221 (iii) is modified by legislation to add significant services or benefits that were not
222 previously offered by the program; or

223 (iv) is modified by legislation to substantially expand the scope of individuals or
224 entities that are entitled to receive the services or benefits offered by the program.

225 (b) "New program" does not include a program that is renamed or moved to another
226 organizational position within the same branch of government unless the program meets the
227 criteria described in Subsection (2)(a)(iii) or (iv).

228 Section 3. Section **36-24-102**, which is renumbered from Section 36-24-101 is
229 renumbered and amended to read:

230 ~~[36-24-101].~~ **36-24-102. Review of new programs and new agencies.**

231 ~~[(1) When legislation is passed that creates a new program or agency, the legislative~~
232 ~~sponsor shall consider providing that the funding for the first fiscal year should be nonlapsing;~~
233 ~~with the option of continuing the nonlapsing money for an additional year.]~~

234 (1) (a) No later than three business days after the day on which the Office of the
235 Legislative Fiscal Analyst receives an electronic copy of approved legislation from the Office
236 of Legislative Research and General Counsel, the Office of the Legislative Fiscal Analyst shall:

237 (i) review and analyze the legislation to determine whether the legislation creates a new
238 program or new agency; and

239 (ii) designate on the legislation's fiscal note whether the legislation creates a new
240 program or new agency.

241 (b) After each legislative session, the Office of the Legislative Fiscal Analyst shall
242 provide to the Office of the Legislative Auditor General a list of passed legislation that creates
243 a new program or new agency.

244 (2) After the day on which legislation that creates a new program or new agency

245 becomes effective, the Office of the Legislative Auditor General shall provide to each
246 government entity that administers the new program or new agency:

247 (a) a list of best practices to assist the government entity with the creation of the new
248 program or new agency, including:

249 (i) policies that promote best practices;

250 (ii) performance measures; and

251 (iii) data collection procedures;

252 (b) within one year after the day on which the legislation creating the new program or
253 new agency becomes effective, a survey instrument requesting a self evaluation that requests
254 information related to the new program or new agency, including policies, performance
255 measures, and data collection; and

256 (c) within two years after the day on which the legislation creating the new program or
257 new agency becomes effective, a second survey instrument as described in Subsection (2)(b).

258 (3) (a) A government entity that receives a self evaluation survey instrument described
259 in Subsection (2) shall submit the completed survey instrument to the Office of the Legislative
260 Auditor General by the deadline the Office of the Legislative Auditor General establishes.

261 (b) Following receipt of the government entity's response to the self evaluation survey
262 instruments described in Subsection (2), the Office of the Legislative Auditor General may
263 recommend to the Audit Subcommittee created in Section 36-12-8 that the Office of the
264 Legislative Auditor General conduct an audit of the new program or new agency.

265 (c) If directed by the Audit Subcommittee under Subsection (3)(b) to conduct an audit
266 of a new program or new agency, the Office of the Legislative Auditor General shall provide a
267 limited scope audit report on the new program or new agency to the interim committee and
268 appropriations subcommittee with oversight responsibility for the new program or new agency,
269 including a recommendation as to whether the new program or new agency is fulfilling the new
270 program's or new agency's statutory directive.

271 (4) When making a recommendation under Subsection (3), the Office of the
272 Legislative Auditor General shall consider information the Office of the Legislative Fiscal
273 Analyst provides under Section 63J-1-221.

274 ~~[(2)]~~ (5) The [legislative] interim committee with oversight responsibility for [the] a
275 new program or new agency:

276 (a) shall hear the limited scope audit report prepared by the Office of the Legislative
277 Auditor General [~~as provided in Section 36-12-15~~] as described in Subsection (3) on or before
278 [~~the committee's~~] November [~~meeting~~] 30;

279 (b) shall review each new program or new agency on which [it] the interim committee
280 receives a limited scope audit report to [~~assure that it~~] ensure that the new program or new
281 agency is being implemented in a manner consistent with [its] the new program's or new
282 agency's statutory directive;

283 (c) shall determine whether the statutory directive is being followed and whether any
284 change in law is necessary and, if a change in law is necessary, make that recommendation to
285 the Legislature; and

286 (d) may request the Office of the Legislative Auditor General to conduct a more
287 in-depth review of the new program or new agency.

288 [~~(3)~~] (6) The [~~legislative~~] appropriations subcommittee with oversight responsibility
289 for [~~the~~] a new program or new agency:

290 (a) shall hear the limited scope audit report prepared by the Office of the Legislative
291 Auditor General [~~as provided in Section 36-12-15~~] as described in Subsection (3) on or before
292 [~~the committee's~~] November [~~meeting~~] 30;

293 (b) shall review each new program or new agency on which [it] the appropriations
294 subcommittee receives a limited scope audit report to determine whether the government entity
295 that administers the new program or new agency is appropriately using the funds [~~provided~~]
296 that the Legislature appropriated; and

297 (c) may request the Office of the Legislative Auditor General to conduct a more
298 in-depth review of the new program or new agency.

299 Section 4. Section **63J-1-201** is amended to read:

300 **63J-1-201. Governor's proposed budget to Legislature -- Contents -- Preparation**
301 **-- Appropriations based on current tax laws and not to exceed estimated revenues.**

302 (1) The governor shall deliver, not later than 30 days before the date the Legislature
303 convenes in the annual general session, a confidential draft copy of the governor's proposed
304 budget recommendations to the Office of the Legislative Fiscal Analyst according to the
305 requirements of this section.

306 (2) (a) When submitting a proposed budget, the governor shall, within the first three

307 days of the annual general session of the Legislature, submit to the presiding officer of each
308 house of the Legislature:

- 309 (i) a proposed budget for the ensuing fiscal year;
- 310 (ii) a schedule for all of the proposed changes to appropriations in the proposed budget,
311 with each change clearly itemized and classified; and
- 312 (iii) as applicable, a document showing proposed changes in estimated revenues that
313 are based on changes in state tax laws or rates.

314 (b) The proposed budget shall include:

- 315 (i) a projection of:
 - 316 (A) estimated revenues by major tax type;
 - 317 (B) 15-year trends for each major tax type;
 - 318 (C) estimated receipts of federal funds;
 - 319 (D) 15-year trends for federal fund receipts; and
 - 320 (E) appropriations for the next fiscal year;
- 321 (ii) the source of changes to all direct, indirect, and in-kind matching funds for all
322 federal grants or assistance programs included in the budget;
- 323 (iii) changes to debt service;
- 324 (iv) a plan of proposed changes to appropriations and estimated revenues for the next
325 fiscal year that is based upon the current fiscal year state tax laws and rates and considers
326 projected changes in federal grants or assistance programs included in the budget;
- 327 (v) an itemized estimate of the proposed changes to appropriations for:
 - 328 (A) the Legislative Department as certified to the governor by the president of the
329 Senate and the speaker of the House;
 - 330 (B) the Executive Department;
 - 331 (C) the Judicial Department as certified to the governor by the state court
332 administrator;
 - 333 (D) changes to salaries payable by the state under the Utah Constitution or under law
334 for lease agreements planned for the next fiscal year; and
 - 335 (E) all other changes to ongoing or one-time appropriations, including dedicated
336 credits, restricted funds, nonlapsing balances, grants, and federal funds;
 - 337 (vi) for each line item, the average annual dollar amount of staff funding associated

338 with all positions that were vacant during the last fiscal year;
339 (vii) deficits or anticipated deficits;
340 (viii) the recommendations for each state agency for new full-time employees for the
341 next fiscal year, which shall also be provided to the director of the Division of Facilities
342 Construction and Management as required by Subsection 63A-5b-501(3);
343 (ix) a written description and itemized report submitted by a state agency to the
344 Governor's Office of Management and Budget under Section 63J-1-220, including:
345 (A) a written description and an itemized report provided at least annually detailing the
346 expenditure of the state money, or the intended expenditure of any state money that has not
347 been spent; and
348 (B) a final written itemized report when all the state money is spent;
349 (x) any explanation that the governor may desire to make as to the important features
350 of the budget and any suggestion as to methods for the reduction of expenditures or increase of
351 the state's revenue; and
352 (xi) information detailing certain fee increases as required by Section 63J-1-504.
353 (3) (a) ~~[For]~~ Except as provided in Subsection (3)(b), for the purpose of preparing and
354 reporting the proposed budget, the governor:
355 ~~[(a) The governor]~~
356 (i) shall require the proper state officials, including all public and higher education
357 officials, all heads of executive and administrative departments and state institutions, bureaus,
358 boards, commissions, and agencies expending or supervising the expenditure of the state
359 money, and all institutions applying for state money and appropriations, to provide itemized
360 estimates of changes in revenues and appropriations[-];
361 ~~[(b) The governor]~~
362 (ii) may require the persons and entities subject to Subsection (3)(a)(i) to provide other
363 information under these guidelines and at times as the governor may direct, which may include
364 a requirement for program productivity and performance measures, where appropriate, with
365 emphasis on outcome indicators[-]; and
366 ~~[(c) The governor]~~
367 (iii) may require representatives of public and higher education, state departments and
368 institutions, and other institutions or individuals applying for state appropriations to attend

369 budget meetings.

370 (b) Subsection (3)(a) does not apply to the Judicial Department or the Legislative
 371 Department.

372 ~~(4) (a) [The Governor's Office of Management and Budget shall provide to the Office~~
 373 ~~of Legislative Fiscal Analyst, as soon as practicable, but no later than 30 days before the date~~
 374 ~~the Legislature convenes in the annual general session;]~~ The Governor's Office of Management
 375 and Budget shall provide to the Office of the Legislative Fiscal Analyst, as soon as practicable,
 376 but no later than 30 days before the day on which the Legislature convenes in the annual
 377 general session, data, analysis, or requests used in preparing the governor's budget
 378 recommendations, notwithstanding the restrictions imposed on such recommendations by
 379 available revenue.

380 (b) The information under Subsection (4)(a) shall include:

381 (i) actual revenues and expenditures for the fiscal year ending the previous June 30;

382 (ii) estimated or authorized revenues and expenditures for the current fiscal year;

383 (iii) requested revenues and expenditures for the next fiscal year;

384 (iv) detailed explanations of any differences between the amounts appropriated by the
 385 Legislature in the current fiscal year and the amounts reported under Subsections (4)(b)(ii) and
 386 (iii); and

387 ~~[(v) a statement of:]~~

388 ~~[(A) agency and program objectives, effectiveness measures, and program size~~
 389 ~~indicators;]~~

390 ~~[(B) the final status of the program objectives, effectiveness measures, and program~~
 391 ~~size indicators included in the appropriations act for the fiscal year ending the previous June~~
 392 ~~30; and]~~

393 ~~[(C) the current status of the program objectives, effectiveness measures, and program~~
 394 ~~size indicators included in the appropriations act for the current fiscal year; and]~~

395 ~~[(vi)]~~ (v) other budgetary information required by the Legislature in statute.

396 (c) The budget information under Subsection (4)(a) shall cover:

397 (i) all items of appropriation, funds, and accounts included in appropriations acts for
 398 the current and previous fiscal years; and

399 (ii) any new appropriation, fund, or account items requested for the next fiscal year.

400 (d) The information provided under Subsection (4)(a) may be provided as a shared
401 record under Section 63G-2-206 as considered necessary by the Governor's Office of
402 Management and Budget.

403 (5) (a) In submitting the budget for the Department of Public Safety, the governor shall
404 include a separate recommendation in the governor's budget for maintaining a sufficient
405 number of alcohol-related law enforcement officers to maintain the enforcement ratio equal to
406 or below the number specified in Subsection 32B-1-201(2).

407 (b) If the governor does not include in the governor's budget an amount sufficient to
408 maintain the number of alcohol-related law enforcement officers described in Subsection
409 (5)(a), the governor shall include a message to the Legislature regarding the governor's reason
410 for not including that amount.

411 (6) (a) The governor may revise all estimates, except those relating to the Legislative
412 Department, the Judicial Department, and those providing for the payment of principal and
413 interest to the state debt and for the salaries and expenditures specified by the Utah
414 Constitution or under the laws of the state.

415 (b) The estimate for the Judicial Department, as certified by the state court
416 administrator, shall also be included in the budget without revision, but the governor may make
417 separate recommendations on the estimate.

418 (7) The total appropriations requested for expenditures authorized by the budget may
419 not exceed the estimated revenues from taxes, fees, and all other sources for the next ensuing
420 fiscal year.

421 (8) If any item of the budget as enacted is held invalid upon any ground, the invalidity
422 does not affect the budget itself or any other item in [it] the budget.

423 (9) On or before October 1 of each calendar year, the Governor's Office of
424 Management and Budget shall provide to the Office of the Legislative Fiscal Analyst a
425 statement of:

426 (a) the Executive Department's agency and program objectives, effectiveness measures,
427 and program size indicators; and

428 (b) the final status of the Executive Department's agency and program objectives,
429 effectiveness measures, and program size indicators included in the appropriations act for the
430 fiscal year ending the previous June 30.

431 Section 5. Section **63J-1-221** is enacted to read:

432 **63J-1-221. Performance reporting for newly funded budget items.**

433 (1) As used in this section:

434 (a) "New agency" means the same as that term is defined in Section [36-24-101.1](#).

435 (b) "New program" means the same as that term is defined in Section [36-24-101.1](#).

436 (c) "Newly funded budget item" means a project, program, or entity to which the
437 Legislature appropriates \$10,000 or more from the General Fund or the Education Fund,
438 including a new program or new agency.

439 (2) (a) Within 45 days after the day on which the Legislature adjourns a legislative
440 session sine die, the state entity to which the Legislature appropriated funding during the
441 legislative session for a newly funded budget item shall submit to the Office of the Legislative
442 Fiscal Analyst one or more proposed performance measures for each newly funded budget
443 item.

444 (b) The state entity described in Subsection (2)(a) shall work in consultation with the
445 Office of the Legislative Fiscal Analyst and the Governor's Office of Management and Budget
446 to develop each performance measure for the newly funded budget item.

447 (c) Upon receiving a performance measure that an agency submits under this
448 Subsection (2), the Office of the Legislative Fiscal Analyst shall provide the performance
449 measure to the appropriations subcommittee with oversight responsibility of the newly funded
450 budget item to review and recommend changes, if any.

451 (3) On or before August 30 of the fiscal year immediately following the first fiscal year
452 in which a state entity receives funding for a newly funded budget item, the state agency shall
453 submit to the Office of the Legislative Fiscal Analyst a report that includes:

454 (a) the results of each performance measure reviewed by an appropriations
455 subcommittee under Subsection (2)(c);

456 (b) the actual amount the agency spent, if any, on the newly funded budget item during
457 the first fiscal year; and

458 (c) (i) if the newly funded budget item is fully implemented, the month and year in
459 which the newly funded budget item was fully implemented; or

460 (ii) if the newly funded budget item is not fully implemented;

461 (A) an explanation of why the newly funded budget item is not fully implemented; and

462 (B) the month and year in which the state agency anticipates fully implementing the
463 newly funded budget item.

464 (4) (a) If a newly funded budget item is a new program or new agency, the Office of
465 the Legislative Fiscal Analyst shall provide to the Office of the Legislative Auditor General the
466 report for each new program or new agency as described in Subsection (3).

467 (b) The Office of the Legislative Auditor General shall use the information provided
468 under Subsection (4)(a) when conducting a review of a new agency or new program under Title
469 36, Chapter 24, Legislative Review of New Programs or Agencies.

470 Section 6. Section **63J-1-602.2** is amended to read:

471 **63J-1-602.2. List of nonlapsing appropriations to programs.**

472 Appropriations made to the following programs are nonlapsing:

473 (1) The Legislature and the Legislature's committees.

474 (2) The State Board of Education, including all appropriations to agencies, line items,
475 and programs under the jurisdiction of the State Board of Education, in accordance with
476 Section [53F-9-103](#).

477 (3) The Percent-for-Art Program created in Section [9-6-404](#).

478 (4) The LeRay McAllister Critical Land Conservation Program created in Section
479 [11-38-301](#).

480 (5) Dedicated credits accrued to the Utah Marriage Commission as provided under
481 Subsection [17-16-21\(2\)\(d\)\(ii\)](#).

482 (6) The Trip Reduction Program created in Section [19-2a-104](#).

483 (7) The Division of Wildlife Resources for the appraisal and purchase of lands under
484 the Pelican Management Act, as provided in Section [23-21a-6](#).

485 (8) The emergency medical services grant program in Section [26-8a-207](#).

486 (9) The primary care grant program created in Section [26-10b-102](#).

487 (10) Sanctions collected as dedicated credits from Medicaid provider under Subsection
488 [26-18-3\(7\)](#).

489 (11) The Utah Health Care Workforce Financial Assistance Program created in Section
490 [26-46-102](#).

491 (12) The Rural Physician Loan Repayment Program created in Section [26-46a-103](#).

492 (13) The Opiate Overdose Outreach Pilot Program created in Section [26-55-107](#).

493 (14) Funds that the Department of Alcoholic Beverage Control retains in accordance
494 with Subsection [32B-2-301\(8\)\(a\)](#) or (b).

495 (15) The General Assistance program administered by the Department of Workforce
496 Services, as provided in Section [35A-3-401](#).

497 [~~(16) A new program or agency that is designated as nonlapsing under Section~~
498 [36-24-101](#).]

499 [~~(17)~~ [\(16\)](#) The Utah National Guard, created in Title 39, Militia and Armories.

500 [~~(18)~~ [\(17\)](#) The State Tax Commission under Section [41-1a-1201](#) for the:

501 (a) purchase and distribution of license plates and decals; and

502 (b) administration and enforcement of motor vehicle registration requirements.

503 [~~(19)~~ [\(18\)](#) The Search and Rescue Financial Assistance Program, as provided in
504 Section [53-2a-1102](#).

505 [~~(20)~~ [\(19\)](#) The Motorcycle Rider Education Program, as provided in Section [53-3-905](#).

506 [~~(21)~~ [\(20\)](#) The Utah Board of Higher Education for teacher preparation programs, as
507 provided in Section [53B-6-104](#).

508 [~~(22)~~ [\(21\)](#) The Medical Education Program administered by the Medical Education
509 Council, as provided in Section [53B-24-202](#).

510 [~~(23)~~ [\(22\)](#) The Division of Services for People with Disabilities, as provided in
511 Section [62A-5-102](#).

512 [~~(24)~~ [\(23\)](#) The Division of Fleet Operations for the purpose of upgrading underground
513 storage tanks under Section [63A-9-401](#).

514 [~~(25)~~ [\(24\)](#) The Utah Seismic Safety Commission, as provided in Section [63C-6-104](#).

515 [~~(26)~~ [\(25\)](#) Appropriations to the Department of Technology Services for technology
516 innovation as provided under Section [63F-4-202](#).

517 [~~(27)~~ [\(26\)](#) The Office of Administrative Rules for publishing, as provided in Section
518 [63G-3-402](#).

519 [~~(28)~~ [\(27\)](#) The Governor's Office of Economic Development to fund the Enterprise
520 Zone Act, as provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.

521 [~~(29)~~ [\(28\)](#) Appropriations to fund the Governor's Office of Economic Development's
522 Rural Employment Expansion Program, as described in Title 63N, Chapter 4, Part 4, Rural
523 Employment Expansion Program.

524 [~~(30)~~] (29) Appropriations to fund programs for the Jordan River Recreation Area as
525 described in Section [65A-2-8](#).

526 [~~(31)~~] (30) The Department of Human Resource Management user training program, as
527 provided in Section [67-19-6](#).

528 [~~(32)~~] (31) A public safety answering point's emergency telecommunications service
529 fund, as provided in Section [69-2-301](#).

530 [~~(33)~~] (32) The Traffic Noise Abatement Program created in Section [72-6-112](#).

531 [~~(34)~~] (33) The Judicial Council for compensation for special prosecutors, as provided
532 in Section [77-10a-19](#).

533 [~~(35)~~] (34) A state rehabilitative employment program, as provided in Section
534 [78A-6-210](#).

535 [~~(36)~~] (35) The Utah Geological Survey, as provided in Section [79-3-401](#).

536 [~~(37)~~] (36) The Bonneville Shoreline Trail Program created under Section [79-5-503](#).

537 [~~(38)~~] (37) Adoption document access as provided in Sections [78B-6-141](#), [78B-6-144](#),
538 and [78B-6-144.5](#).

539 [~~(39)~~] (38) Indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah Indigent
540 Defense Commission.

541 [~~(40)~~] (39) The program established by the Division of Facilities Construction and
542 Management under Section [63A-5b-703](#) under which state agencies receive an appropriation
543 and pay lease payments for the use and occupancy of buildings owned by the Division of
544 Facilities Construction and Management.